Sol-Gel

Advanced Topical Therapy

NASDAQ: SLGL

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This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical facts are forward-looking statements. In some cases, you can identify forward-looking statements by terms such as “may,” “will,” “should,” “expect,” “plan,” “anticipate,” “could,” “future,” “outlook,” “intend,” “target,” “project,” “contemplate,” “believe,” “estimate,” “predict,” “potential,” “continue,” or the negative of these terms or other similar expressions, although not all forward-looking statements contain these words. The forward-looking statements in this presentation relate to, among other things, statements regarding the commencement of our planned clinical trials for TWIN, the commencement of our planned bioequivalence study for a generic product candidate, our expected date to report top-line data from our pivotal Phase III clinical programs for Epsolay and TWIN and estimated sales of our product candidates. These statements are neither promises nor guarantees, but involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statement, including but not limited to, the following: the fact that we have and expect to continue to incur significant losses; our need for additional funding, which may not be available; our ability to complete the development of our product candidates; our ability to obtain and maintain regulatory approvals for our product candidates in our target markets and the possibility of adverse regulatory or legal actions relating to our product candidates even if regulatory approval is obtained; our ability to commercialize our product candidates; our ability to obtain and maintain adequate protection of our intellectual property; our ability to manufacture our product candidates in commercial quantities, at an adequate quality or at an acceptable cost; our ability to establish adequate sales, marketing and distribution channels; acceptance of our product candidates by healthcare professionals and patients; the possibility that we may face third-party claims of intellectual property infringement; the timing and results of clinical trials that we may conduct or that our competitors and others may conduct relating to our or their products; intense competition in our industry, with competitors having substantially greater financial, technological, research and development, regulatory and clinical, manufacturing, marketing and sales, distribution and personnel resources than we do; potential product liability claims; potential adverse federal, state and local government regulation in the United States, Europe or Israel; and loss or retirement of key executives and research scientists. These and other important factors discussed in the Company's Annual Report on Form 20-F filed with the Securities and Exchange Commission (“SEC”) on March 21, 2019 and our other reports filed with the SEC could cause actual results to differ materially from those indicated by the forward-looking statements made in this press release. Any such forward-looking statements represent management’s estimates as of the date of this presentation. While we may elect to update such forward-looking statements at some point in the future, unless required by applicable law, we disclaim any obligation to do so, even if subsequent events cause our views to change. Thus, one should not assume that our silence over time means that actual events are bearing out as expressed or implied in such forward-looking statements. These forward-looking statements should not be relied upon as representing our views as of any date subsequent to the date of this presentation.

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Our Dermatology Company

- Primed to become a global dedicated dermatological company by developing a combination of branded and generic topical drug products
- Expecting results during 2019 from pivotal trials of two branded pipeline candidates, based on a proprietary topical microencapsulation delivery system
- Eight established collaborations with two strategic partners on generic candidates already resulted in one approval and one tentative approval by the FDA. First generic product reached the market in February 2019
- Proven track record combined with broad dermatological knowhow

Common Indications Requiring Better Therapies

Acne Vulgaris

- A disease of the pilosebaceous unit, involving abnormalities in sebum production, follicular epithelial desquamation, bacterial proliferation and inflammation
- Benzoyl peroxide (BPO) and tretinoin are mainstay therapies
- Tretinoin is the most widely used Rx topical retinoid, but is rapidly decomposed by BPO and causes irritation
- BPO/tretinoin combination does not currently exist on the market
- ~$2.7 billion sales in the U.S. in 2018 of several promoted topical brands and many generics, of which fixed-dose combination drugs account for ~$0.9 billion
- Dermatologists often prefer branded topical drugs even though cheaper generics and OTC alternatives exist

Papulopustular Rosacea

- A chronic, inflammatory skin condition affecting nearly 5 million people in the US
- ~$0.4 billion sales of topical products in the U.S. in 2018 : Soolantra®, Finacea® and generic metronidazole
- Poor patient adherence to current drugs

Sources: IQVIA (IMS); T. Pigeon, Practical Dermatology, July 2010

Our Branded Drug Product Candidates

TWIN

acne vulgaris

- **A cream containing a fixed-dose combination of encapsulated tretinoin and encapsulated benzoyl peroxide**
- Major challenges were the instability of tretinoin in the presence of benzoyl peroxide and irritation
- Encapsulation allows stabilization and is also expected to contribute to patient compliance
- Opportunity exists for shift from prescribing tretinoin and existing combinations to prescribing TWIN
- We estimate peak annual sales of $350M - $400M(†).

Epsolay®

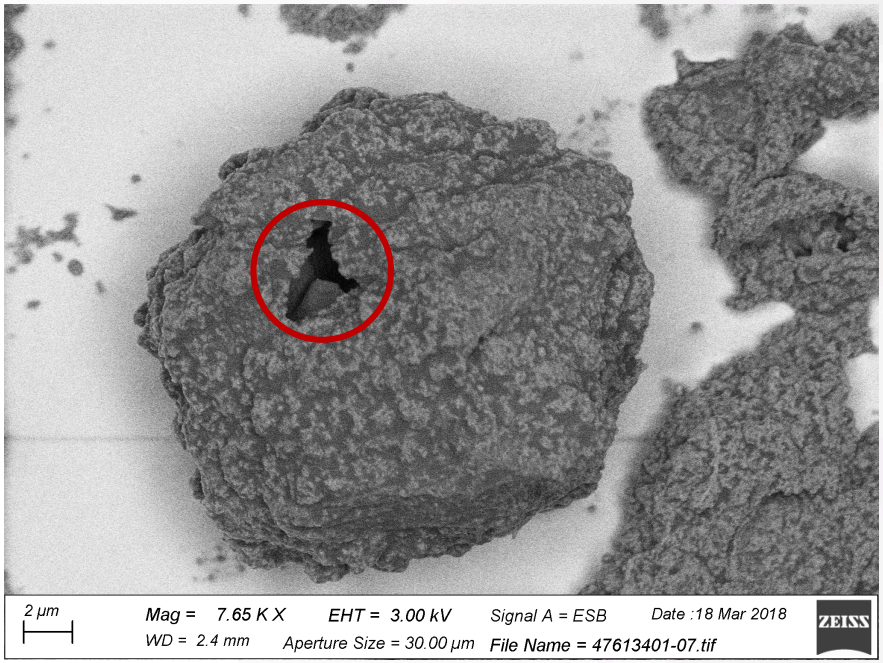
papulopustular rosacea

- **A cream containing encapsulated benzoyl peroxide, 5%**
- Encapsulation was designed to reduce irritation caused by benzoyl peroxide
- Potential to be the 1st FDA-approved single-active benzoyl peroxide prescription drug product
- We estimate peak annual sales of $75M - $100M(†)

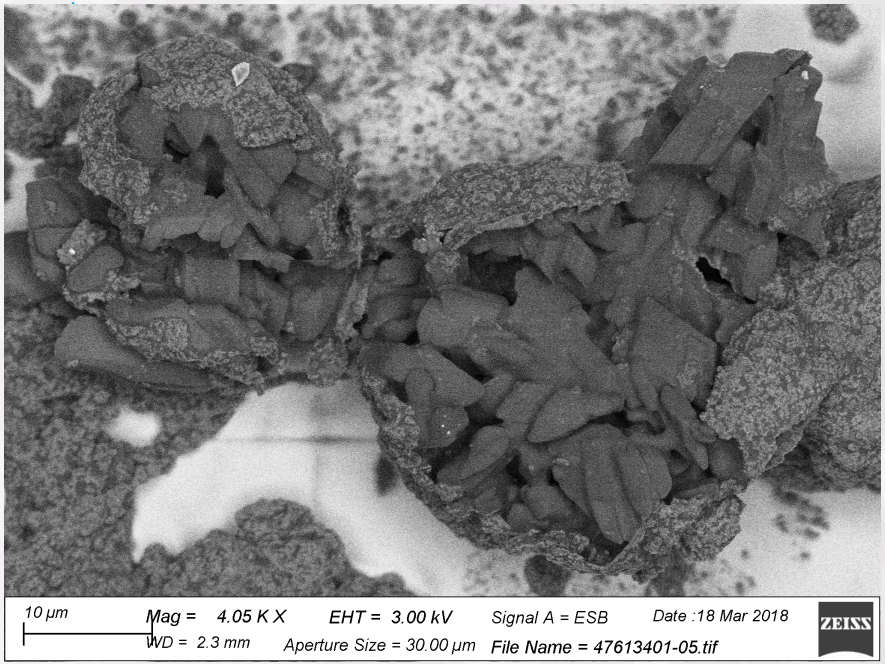
(†) Our estimation takes into consideration current payers' requirements and tier 3 limitations

Our Microencapsulation Platform

Encapsulated tretinoin (E-ATRA)



Broken microcapsule containing multiple tretinoin (ATRA) crystals

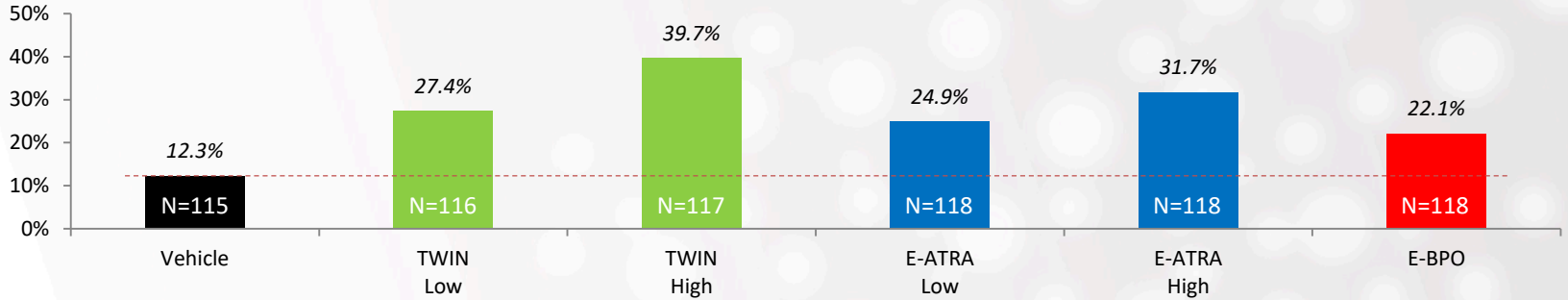


SEM pictures of our silica-based encapsulated tretinoin

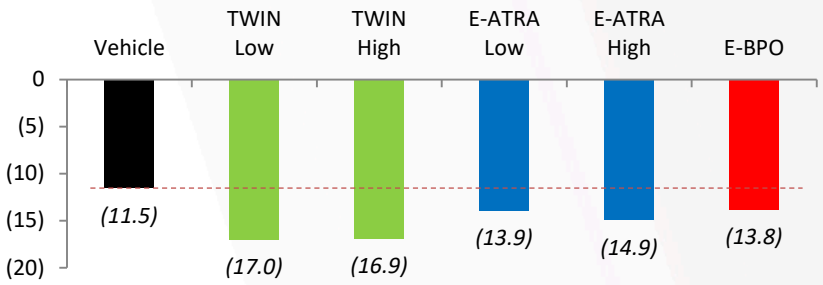
Positive TWIN Factorial Phase II Results (ITT)(†)

Success in Dichotomized IGA at Week 12

P-value vs. vehicle	0.006	<0.001	0.015	0.001

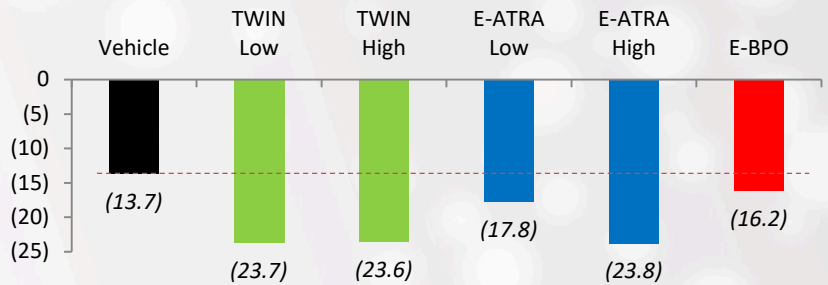


Inflammatory Lesion Mean Absolute Change from Baseline at Week 12



P-value vs. vehicle	<0.001	<0.001	0.060	0.003

Non-Inflammatory Lesion Mean Absolute Change from Baseline at Week 12



P-value vs. vehicle	<0.001	<0.001	0.002	<0.001

(†) The above calculations were made using Markov Chain Monte Carlo multiple imputation method for handling missing data and without data from one center that discontinued the study. Analyses without imputation (with or without the discontinued center) were highly consistent with the above

Acne Trials Efficacy Results(†): Moderate Patients

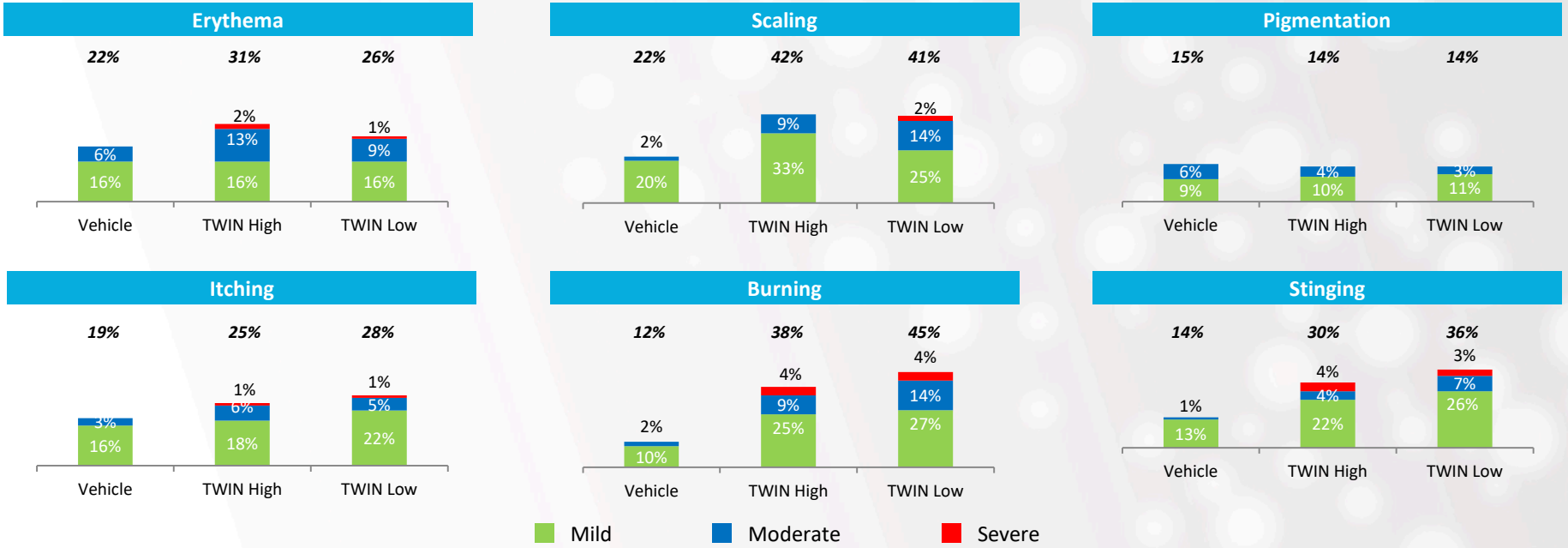
Treatment Arm:						
Number of Patients	Severe	0		0	1	0
	Moderate	102		111	1,043	1,118
	Mild	0		0	0	0
Baseline # of Lesions	Inflamed	25.9		~29.7	28.8	29.6
	Non-inflamed	42.1		~53.7	46.9	46.7

(†) Sol-Gel did not conduct a head-to-head comparison trial or study. The results described above are for illustrative purposes only and should not be construed as conclusions to be drawn as if we conducted a head-to-head comparison trial or study

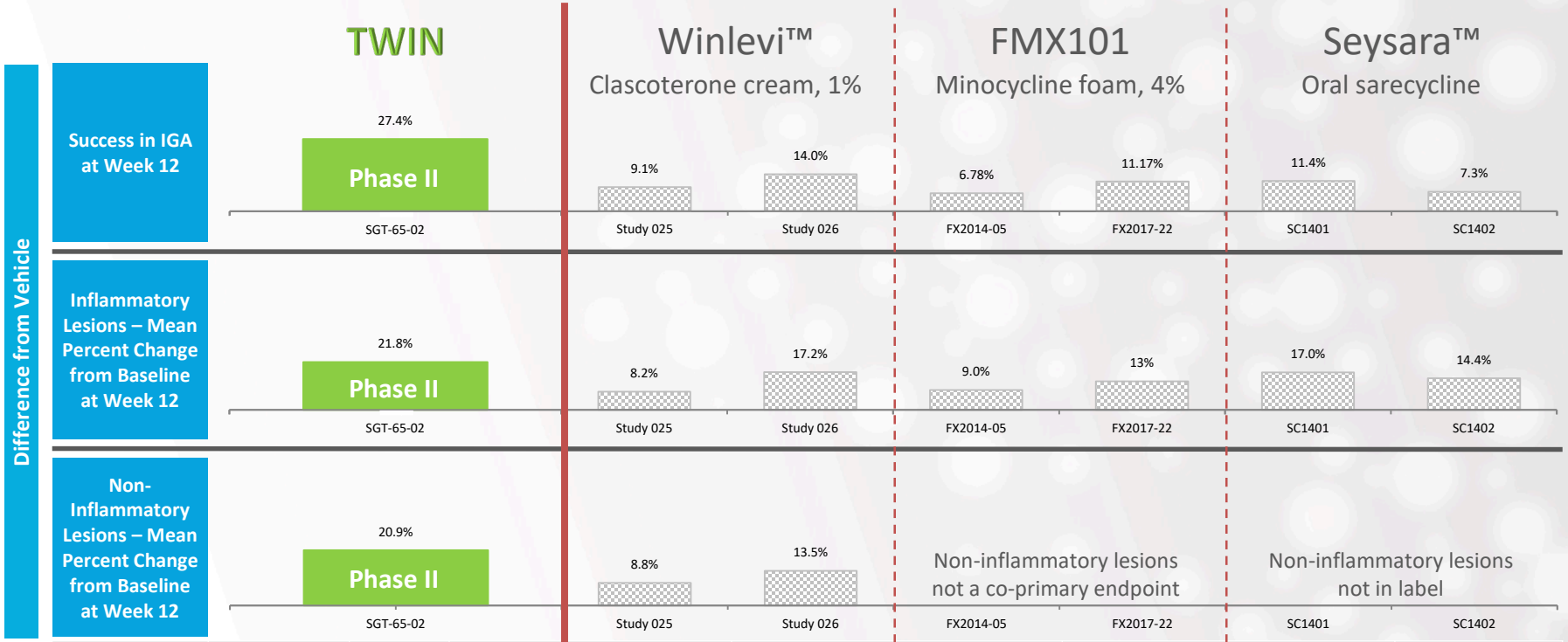
Phase II Cutaneous Tolerability of TWIN

Proportion of Subjects with Post-Baseline Worsening of Cutaneous Side Effects (Safety Population)

Max. Post-Baseline > Baseline



Efficacy Results of Recent Acne Trials(†)



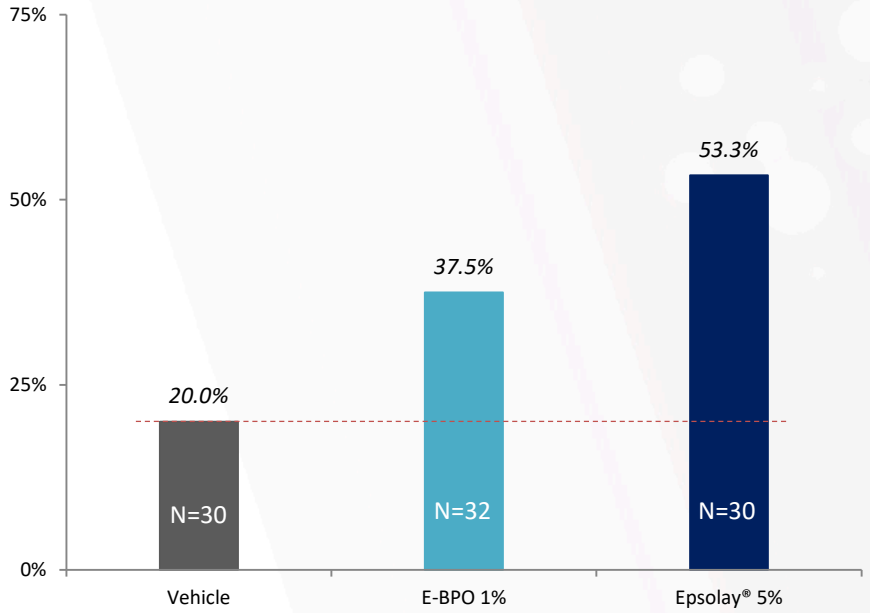
Treatment Arm:									
Number of Patients	Severe	14		61	64	37	118	70	79
	Moderate	102		292	305	296	620	413	440
	Mild	0		0	0	0	0	0	0
Baseline # of Lesions	Inflamed	26.7		42.4	42.9	31.6	30.7	29.7	30.3
	Non-inflamed	42.9		59.1	62.8	50.5	49.7	42.4	42.3

(†) Sol-Gel did not conduct a head-to-head comparison trial or study. The results described above are for illustrative purposes only and should not be construed as conclusions to be drawn as if we conducted a head-to-head comparison trial or study

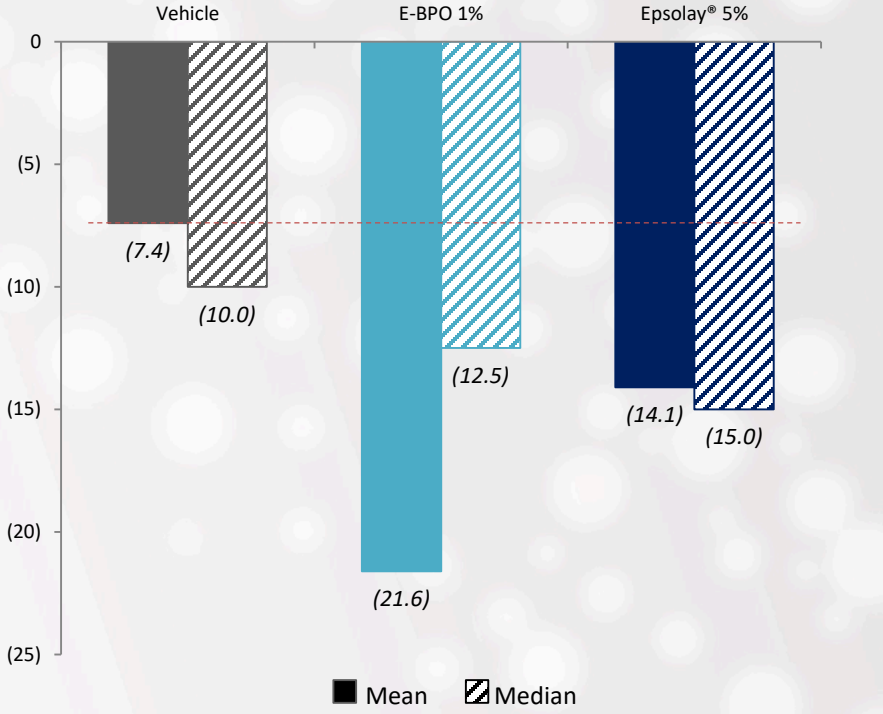
Positive Epsolay® Phase II Results (ITT)

Success in Dichotomized IGA at Week 12 (†)

P-value vs. vehicle *0.0013*

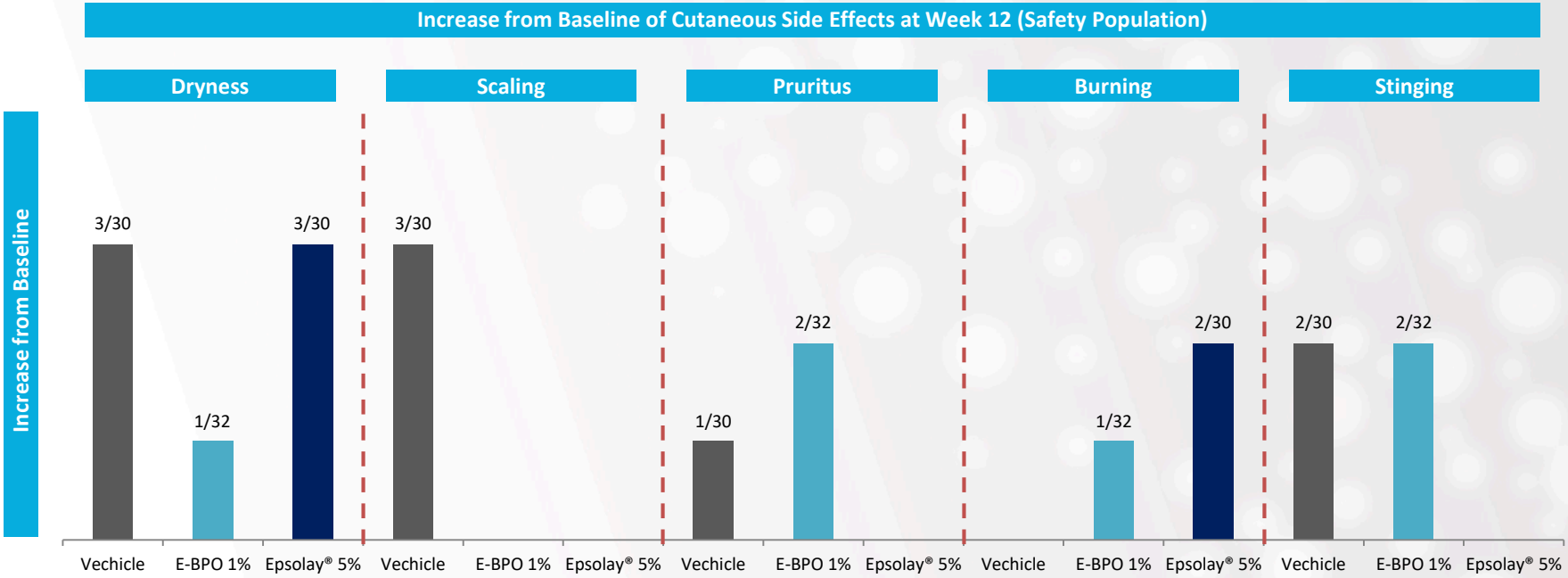


Inflammatory Lesion Count – Change from Baseline at Week 12

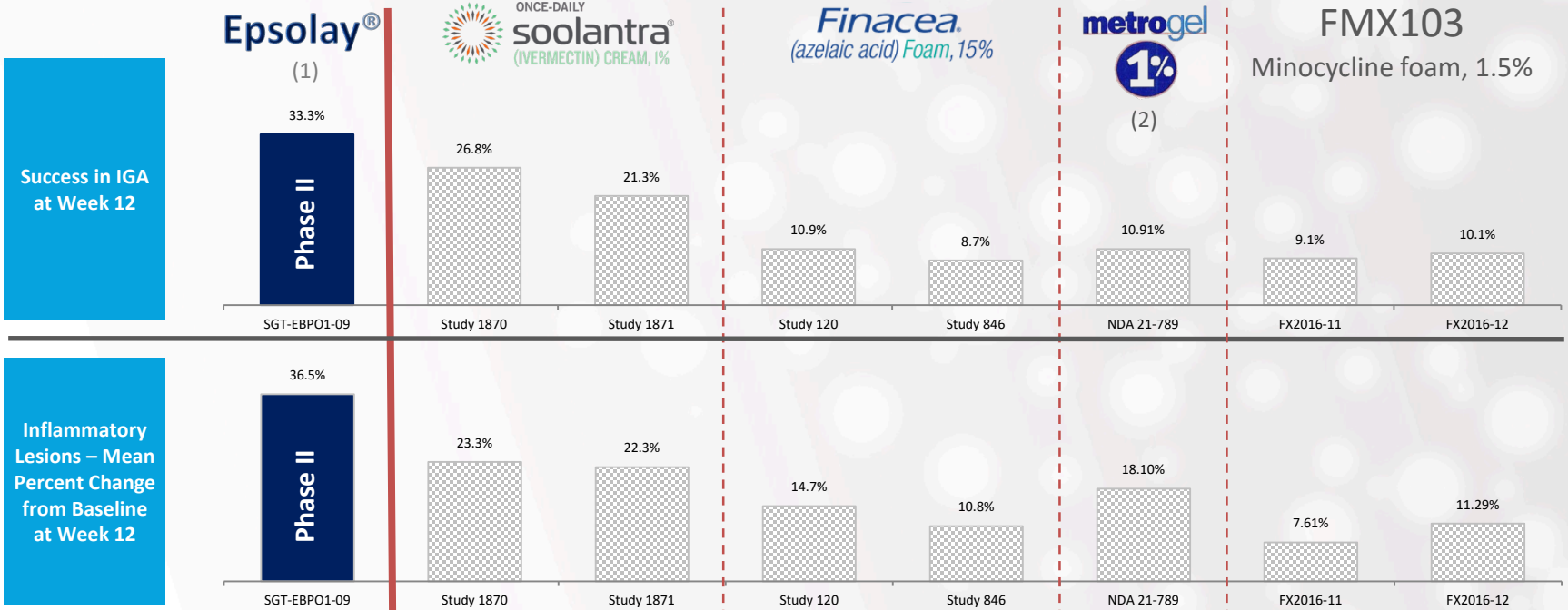


(†) The FDA required a modification to our definition of "clear" on the IGA scale such that the category of "clear" represented the absence of the disease. Out of the 11 subjects that were defined as "mild" at baseline, there was only one subject that was treated with Epsolay® 5% and reached "clear" at the end of the trial

Phase II Cutaneous Tolerability of Epsolay®



Papulopustular Rosacea Trials Results(†) (ITT)



Treatment Arm:									
Number of Patients	Severe	5	82	113	26	65	0	51	71
	Moderate	21	369	346	172	418	557	444	443
	Mild	4	0	0	0	0	0	0	0
Baseline # of Inflammatory Lesions		22.9	31.0	33.3	21.6	21.7	18.3	28.5	30.0

(1) "clear" definition: "no inflammatory lesions present with no or very mild erythema immediately localized to and around where inflammatory lesions were present"
(2) 10-week study

(†) Sol-Gel did not conduct a head-to-head comparison trial or study. The results described above are for illustrative purposes only and should not be construed as conclusions to be drawn as if we conducted a head-to-head comparison trial or study

Highly-Powered Phase III Trials and Mitigated Risks

Epsolay®

- Each pivotal trial is planned to enroll 350 subjects in a 2:1 ratio, with a power > 99%
- Long-term safety study (LTSS) was initiated in September 2018
- No pediatric and no Phase I clinical trials are required to support our future marketing application
- Subject to favorable results from our Phase III clinical program, we plan to submit an NDA in 2020

TWIN

- Only TWIN and vehicle are required for the pivotal trials, as the requirements of the combination rule act were satisfied in our Phase II trial
- Each pivotal trial is planned to enroll 420 subjects in a 2:1 ratio, with a power of 99%
- No LTSS is required to support our future marketing application, as long as we demonstrate that the systemic exposure of our product is comparable to our reference-listed drug (RLD)
- No pediatric clinical studies are required to support our future marketing application
- Subject to favorable results from our Phase III clinical program, we plan to submit an NDA in 2020

Our Generic Pipeline

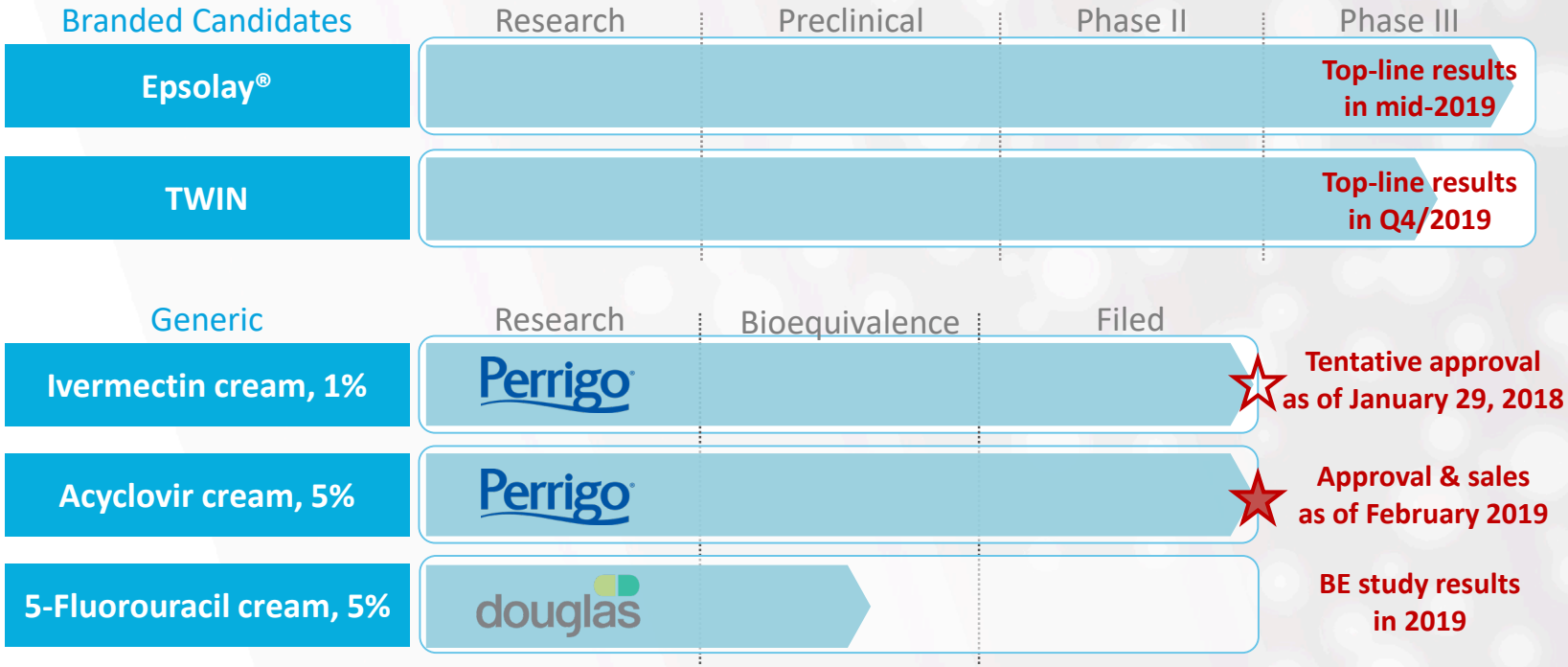
Multiple Collaborations	▪ A portfolio of generic product candidates with favorable commercial agreements that supplement our branded pipeline ▪ Seven collaborations with Perrigo and one with Douglas Pharmaceuticals with 50/50 gross profit sharing
1st Fruitions	▪ In January 2018, Perrigo received tentative approval from the FDA for ivermectin cream, 1%, developed in collaboration with Sol-Gel. Perrigo was second to file and, as of today, there is no public disclosure of a third filer to the FDA. Sales of RLD reached $175 million in 2018(†), and are expected to exceed $200 million annually by 2020 ▪ In February 2019, Perrigo received approval from the FDA and launched the sale of acyclovir cream, 5%, developed in collaboration with Sol-Gel. As of today, there is no public disclosure of another filer to the FDA. The sales of the RLD were ~$92 million in 2018(†)
Recent Developments	▪ Bioequivalence (BE) study results for 5-fluorouracil cream, 5%, expected in 2019

(†) Source: IQVIA (IMS)

Financial Profile

- Gross proceeds of $86.3 million raised in IPO of 7,187,500 ordinary shares on February 5, 2018
- 18,949,968 shares outstanding as of March 31, 2019
- $6.3 million revenue from acyclovir cream in Q1/2019
- $54.4 million in cash and investments as of the end of Q1/2019
- Cash runway expected to be sufficient to fund Phase III clinical programs for TWIN and Epsolay®, a bioequivalence study, and our activities until the end of Q2/2020

Our Upcoming Milestones



Recent Milestones and Next Steps

2017

- [x] Reported positive results from TWIN Phase II trial in acne vulgaris
- [x] Had an EoPII meeting with the FDA about Epsolay®
- [x] Submitted a Paragraph IV ANDA, for ivermectin cream, 1% (sponsored by Perrigo)

2018

- [x] Obtained tentative ANDA approval for ivermectin cream (sponsored by Perrigo)
- [x] Had an EoPII meeting with the FDA about TWIN and addressed the combination rule act
- [x] Initiated Epsolay® Phase III program in papulopustular rosacea
- [x] Initiated LTSS for Epsolay®
- [x] Initiated TWIN Phase III program in acne vulgaris
- [x] Initiated a bioequivalence study for 5-fluorouracil cream, 5% in actinic keratosis
- [x] Hired U.S. commercialization leader for the launches of TWIN and Epsolay®

2019

- [x] Obtained ANDA approval for acyclovir cream (sponsored by Perrigo)
- [x] Launched acyclovir cream (by Perrigo)
- [ ] Plans to report Phase III results for Epsolay® in papulopustular rosacea
- [ ] Plans to report Phase III results for TWIN in acne vulgaris
- [ ] Plans to report BE study results for 5-fluorouracil cream, 5%

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